



MODERATE INCOME HOUSING UNIT PROGRAM
PRICE & RENT SUMMARY
 January 1 through June 30, 2010*

<i>For-Sale Pricing</i>		<i>Maximum Rents</i>	
Unit Type	Base House Price	Unit Size	Maximum Rent
One Bedroom		One Bedroom.....	\$1,154
Apartments.....	\$ 115,448	Two Bedroom.....	\$1,384
Proffered.....	\$ 161,627	Three Bedroom.....	\$1,600
		Four Bedroom.....	\$1,784
Two Bedrooms			
Apartments	\$ 138,537		
Back to Back Townhouse.....	\$ 195,272		
Semi-Detached & Townhouse	\$ 195,272		
Single Family Detached.....	\$ 225,531		
Proffered Units.....	\$ 210,292		
Three Bedrooms			
Apartments	\$ 160,087		
Back to Back Townhouse.....	\$ 225,647		
Semi-Detached & Townhouse	\$ 225,647		
Single Family Detached.....	\$ 260,614		
Proffered Units.....	\$ 243,005		
Four Bedrooms			
Semi-Detached & Townhouse	\$ 251,683		
Single Family Detached.....	\$ 290,685		
Proffered Units.....	\$ 290,685		

*Approved by the Housing & Community Development Board on January 14, 2010



**MODERATE INCOME HOUSING UNIT PROGRAM
BASE SALES PRICES
January 1 through June 30, 2010**

Howard County Median Income (Family of Four)..... \$ 102,540

Median Income Adjusted by Bedroom Size^(a):

Bedrooms	Adjustment Factor	Adjusted Income
1	75%	\$ 76,905
2	90%	\$ 92,286
3	104%	\$ 106,642
4	116%	\$ 118,946

Moderate Income Affordability:

Unit Type	Persons/ Household	Adjusted Income	Affordability Percentage ^(b)	Income at Which Unit Must Be Affordable
One Bedroom				
Apartments	1.5	\$ 76,905	50%	\$ 38,453
Proffered.....	1.5	\$ 76,905	70%	\$ 53,834
Two Bedrooms				
Apartments	3.0	\$ 92,286	50%	\$ 46,143
Back to Back Townhouse.....	3.0	\$ 92,286	65%	\$ 59,986
Semi-Detached & Townhouse.....	3.0	\$ 92,286	65%	\$ 59,986
Single Family Detached.....	3.0	\$ 92,286	70%	\$ 64,600
Proffered Units.....	3.0	\$ 92,286	70%	\$ 64,600
Three Bedrooms				
Apartments	4.5	\$ 106,642	50%	\$ 53,321
Back to Back Townhouse.....	4.5	\$ 106,642	65%	\$ 69,317
Semi-Detached & Townhouse.....	4.5	\$ 106,642	65%	\$ 69,317
Single Family Detached.....	4.5	\$ 106,642	70%	\$ 74,649
Proffered Units.....	4.5	\$ 106,642	70%	\$ 74,649



MODERATE INCOME HOUSING UNIT PROGRAM
BASE SALES PRICES
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Four Bedrooms

Semi-Detached & Townhouse.....	6.0	\$	118,946	65%	\$	77,315
Single Family Detached.....	6.0	\$	118,946	70%	\$	83,262
Proffered Units.....	6.0	\$	118,946	70%	\$	83,262

Sale Price Factors:

30 Year Fixed Mortgage Interest Rate^(c) **5.13%**

Real Estate Taxes..... **1.41%**

County Tax Rate.....	1.014%
Metropolitan District Fire Tax.....	0.136%
Water and Sewer Ad Valorem.....	0.080%
State Tax Rate.....	0.112%
Trash Collection Fee / FHA Limit.....	\$ 210 0.070%

Property Insurance

Typical House Price	\$ 300,000	0.28%
Average Insurance Premium.....	837.00	

Association Fees

condominium	\$ 3,261	1.09%
townhouse	\$ 1,941	0.65%
single family	\$ 710	0.24%

Taxes + Insurance + Association Fees

condominium	2.78%
townhouse	2.34%
single family	1.93%



MODERATE INCOME HOUSING UNIT PROGRAM
BASE SALES PRICES
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Calculation of Sales Prices:

Unit Type	Income	28%(PITI)	T&I&AF(c)	P&I	Loan Amount	House Price
One Bedroom						
Apartments	\$ 38,453	\$ 10,767	3,738	\$ 7,029	\$ 111,984	\$ 115,448
Proffered.....	\$ 53,834	\$ 15,073	5,233	\$ 9,840	\$ 156,778	\$ 161,627
Two Bedrooms						
Apartments	\$ 46,143	\$ 12,920	4,486	\$ 8,434	\$ 134,381	\$ 138,537
Back to Back Townhouse.....	\$ 59,986	\$ 16,796	4,908	\$ 11,888	\$ 189,413	\$ 195,272
Semi-Detached & Townhouse.....	\$ 59,986	\$ 16,796	4,908	\$ 11,888	\$ 189,413	\$ 195,272
Single Family Detached.....	\$ 64,600	\$ 18,088	4,357	\$ 13,731	\$ 218,765	\$ 225,531
Proffered Units.....	\$ 64,600	\$ 18,088	5,285	\$ 12,803	\$ 203,984	\$ 210,292
Three Bedrooms						
Apartments	\$ 53,321	\$ 14,930	5,183	\$ 9,746	\$ 155,285	\$ 160,087
Back to Back Townhouse.....	\$ 69,317	\$ 19,409	5,671	\$ 13,738	\$ 218,878	\$ 225,647
Semi-Detached & Townhouse.....	\$ 69,317	\$ 19,409	5,671	\$ 13,738	\$ 218,878	\$ 225,647
Single Family Detached.....	\$ 74,649	\$ 20,902	5,035	\$ 15,867	\$ 252,796	\$ 260,614
Proffered Units.....	\$ 74,649	\$ 20,902	6,107	\$ 14,795	\$ 235,714	\$ 243,005
Four Bedrooms						
Semi-Detached & Townhouse.....	\$ 77,315	\$ 21,648	6,325	\$ 15,323	\$ 244,133	\$ 251,683
Single Family Detached.....	\$ 83,262	\$ 23,313	5,616	\$ 17,697	\$ 281,964	\$ 290,685
Proffered Units.....	\$ 83,262	\$ 23,313	5,616	\$ 17,697	\$ 281,964	\$ 290,685

*Property value estimated at 3.5 times income

Notes:

- (a) Assumes 1.5 persons per bedroom.
- (b) Derived from Section 13.403(a)(6).
- (c) Survey of local FHA mortgage rates conducted 12/15/09



Moderate Income Housing Unit Program
For-sale Units - Eligibility Income Limits (80% of Median)

Howard County Median Household Income (family of four)= \$102,540

Family Size	Amount
One Person.....	\$ 57,422
Two Persons.....	\$ 65,626
Three Persons.....	\$ 73,829
Four Persons.....	\$ 82,032
Five Persons.....	\$ 88,595
Six Persons.....	\$ 95,157
Seven Persons.....	\$ 101,720
Eight Persons.....	\$ 108,282



Moderate Income Housing Unit Sale Price Factors

Median Income

The Howard County Median Income as periodically determined by the U.S. Census Bureau.

FHA 30 Year Interest Rate

The Interest Rate Factor is the average of the FHA 30 year fixed rate interest rates with zero points as determined by a survey of local mortgage lenders on or about June 15 and December 15 rounded up to the next

Real Estate Taxes

The Real Estate Factor is the total of the assessed rates for the County and State Property Taxes, the Metropolitan Fire District, the Water and Sewer, Ad Valorem, and the Trash Collection Fee.

Property Insurance

The Property Insurance Factor is derived from the average homeowner's property insurance premium for a typical \$300,000 home located in the 21044 zip code, assuming a \$1,000 deductible, as determined by a survey conducted by the Maryland Insurance Administration and published annually at mdinsurance.state.md.us.

Association Fees

The Association Fees are the average homeowner or condominium fees for residential properties constructed in Howard County within the last 10 years.

Tax Rates July 1, 2009 - June 30, 2010

Real property assessed at 100% of market value; rates based upon \$100 assessment:

County: \$1.014
State: \$0.112
Fire: Metropolitan District: \$0.1355
Water & Sewer Ad Valorem: \$0.08
Trash Fee: \$210/household/year



MODERATE INCOME HOUSING UNIT STANDARDS

Unit Type	Room Requirements	Base Square Footage
Apartment	1 Bedrooms, 1 Bath	750
	2 Bedrooms, 1-1/2 Baths	950
	3 Bedrooms, 1-1/2 Baths	1,100
Back to Back Townhouse	2 Bedrooms, 1-1/2 Baths	1,400
	3 Bedrooms, 2 Baths	1,540
Townhouse	2 Bedrooms, 1-1/2 Baths, Basement	1,500
	3 Bedrooms, 2 Baths, Basement	1,640
	4 Bedrooms, 2 Baths, Basement	1,780
Semi-Detached	2 Bedrooms, 1-1/2 Baths, Basement	1,500
	3 Bedrooms, 2 Baths, Basement	1,640
	4 Bedrooms, 2 Baths, Basement	1,780
Single Family Detached	3 Bedrooms, 2 Baths, Basement	1,680
	4 Bedrooms, 2 Baths, Basement	1,820
Proffered	3 Bedrooms, 2 Baths, Basement	1,640



MINIMUM SPECIFICATIONS FOR MODERATE INCOME HOUSING UNITS

General

All housing units must be constructed of materials comparable in grade and standards to the overall subdivision. All work must be performed in a professional and workmanlike manner, equal to the standards of the trade. All work shall satisfy Howard County building codes, ordinances and legal requirements.

Exterior Design

The Moderate Income Housing Units must be of a design and construction to ensure that the exterior features are architecturally compatible with vicinal market rate units. The units should be interspersed with the market rate units.

Type of Unit and Bedroom Size

The types of units and bedroom sizes designated as Moderate Income Housing Units, to the extent practical, will be proportional to the distribution of unit types and bedroom sizes of the overall subdivision. Units should meet or exceed the base square footage and room requirements.

Hot Water Heaters

Minimum 40 gallon electric or 30 gallon gas water heater for all one and two bedroom units. All others, must have a minimum 50 gallon electric or 40 gallon gas water heater.

Heating, Ventilation and Air Conditioning (HVAC)

Central HVAC systems must be installed in all units with the exception of apartments, which may have thru-the-wall HVAC systems.

Appliances

All appliances must meet or exceed General Electric "builders" grade specifications.

The following minimum appliances and related installations are required:

1. 16 cubic feet frost free refrigerators.
2. 30 inch electric porcelain enameled range and oven with clock/timer and range hood.
3. Dishwasher.
4. Complete electrical and plumbing connections and a dryer exhaust vent for a clothes washer and dryer.

The following optional items may be added to the sale price and may be included in the mortgage:

1. Washer and dryer.
2. Microwave Oven
3. Upgraded refrigerator and range.
4. Upgraded kitchen cabinets and bathroom vanities.
5. Upgraded carpet and padding.
6. Upgraded resilient flooring.
7. Gas water heating and gas range.
8. Garage for apartment or townhouse.
9. Additional half or full bath.

Flooring

All carpeting must meet minimum FHA specifications and all resilient flooring must be "builder" grade.

Landscaping

Each unit must have a minimum of one shade tree and eight shrubs or an equivalent planting selection.

Townhouses must have an eight foot privacy fence on each side of rear yard.

Miscellaneous

Each unit must have a linen closet or storage shelf system within each clothes closet.

Each bath must have a vanity.

Each Unit must have an Extended Home Owner Warranty



Moderate Income Housing Unit Program
Maximum Rent Schedule
January 1 through June 30, 2010

Median Income (family of four)

\$ 102,540

Maximum Rents

Median Income Adjusted for Bedroom Size						
Unit Size	Occupancy Base ^(a)	Adj. % ^(b)	Amount	60% of Median	Annual Rent @ 30%	Maximum Monthly Rent ^(c)
One Bedroom.....	1.5	75%	\$ 76,905	\$ 46,143	\$ 13,843	1,154
Two Bedroom.....	3.0	90%	\$ 92,286	\$ 55,372	\$ 16,611	1,384
Three Bedroom.....	4.5	104%	\$ 106,642	\$ 63,985	\$ 19,195	1,600
Four Bedroom.....	6.0	116%	\$ 118,946	\$ 71,368	\$ 21,410	1,784

Eligibility Income Limits (60% of Median):

<u>Family Size</u>	<u>Amount</u>
One Person.....	\$ 43,067
Two Persons.....	\$ 49,219
Three Persons.....	\$ 55,372
Four Persons.....	\$ 61,524
Five Persons.....	\$ 66,446
Six Persons.....	\$ 71,368
Seven Persons.....	\$ 76,290
Eight Persons.....	\$ 81,212

Notes:

- (a) Assumes average of one and one-half persons per bedroom
- (b) Adjustment up of 8% per person, down of 10% per person
- (c) Howard County utility allowances must be deducted from this amount



HOWARD COUNTY CODE

Sec. 13.403. Prices for moderate income housing units offered for sale; rates for rental units.

(a) **Initial Prices for Moderate Income Housing Units Offered for Sale.** The initial sale price for a moderate income housing unit shall be determined by the commission in accordance with this subsection.

(1) Twice a year, the commission shall establish the initial sale price for each type of moderate income housing unit offered for sale.

(2) Before establishing the initial sale price under this subsection, the commission shall publish notice of the real property tax, insurance, and interest rate factors it proposes to use in establishing the initial sales price in 2 newspapers of general circulation in the county.

(3) Before establishing the initial sale price for moderate income housing units located in planned senior communities and age-restricted adult housing developments, the commission shall consult with the office on aging.

(4) The department shall provide to the commission information concerning current real property tax and insurance rates.

(5) The initial sale prices for moderate income housing units shall be based upon:

(i) A base size unit of the following types:

Type	Minimum (Sq. Ft.)
Single-family detached	1,680
Semi-detached (duplex)	1,500
Townhouse	1,500
Back-to-back townhouse	1,400
Apartments	750

(ii) Factors established annually by the commission for:

- Real property taxes;
- Insurance rates; and
- Interest rates on FHA 30-year mortgages; and

(iii) A written statement from the developer indicating the amount of the homeowners association or condominium fees that will apply to the units.

(6) The department shall provide to the commission the price at which an eligible purchaser with a household income equal to the following percentages of median income, adjusted by family size appropriate to the size and number of bedrooms in the dwelling unit, can afford to purchase a dwelling unit:

- 70% for proffered units and single family homes;
- 65% for semi-detached townhomes; and
- 50% for apartments (condominiums).

(7) For the purposes of this subsection:

(i) A purchaser can afford to purchase a dwelling unit if the purchaser's monthly income would qualify the purchaser to obtain a 30-year fixed rate mortgage at the prevailing interest rate in an amount sufficient to pay 97% of the purchase price of the unit;

(ii) A purchaser's monthly income qualifies for a mortgage if the monthly payment required to pay (1) the monthly principal and interest of the mortgage loan, plus (2) the monthly payment of taxes and insurance on the property, calculated in accordance with the factors established by the department under subsection (a) of this section, plus (3) the monthly payment of homeowners or condominium association fees, does not exceed 28% of the purchaser's monthly income; and

(iii) The prevailing interest rate is the prevailing mortgage interest rate for FHA-insured 30-year fixed-rate mortgages in the Baltimore metropolitan area, as published periodically by the federal national mortgage association or other comparable publication as determined by the department.

(8) The department shall determine the prevailing interest rate as of December 15 and June 15 of each year.

(9) As determined by the department, an adjustment in the sales price of a moderate income housing unit may be made for:

- (i) Single-family detached units, semi-detached units, and townhouse units without basements;
- (ii) End units within a townhouse arrangement;
- (iii) Additional bathrooms or powder rooms;
- (iv) Finished basements; and
- (v) Upgrades in design or amenities to ensure architectural compatibility with the development's market rate units.

(b) ***Rates for Rental Units .***

(1) The department shall establish maximum rates for rental units, by bedroom size, that are equal to 30% of the monthly income of a household whose annual income does not exceed 60% of the median income.

(2) The maximum rental rates shall include an allowance for utilities paid by the tenant. The allowance shall be calculated by the department based upon the average utility costs prevailing for similar sized units in Howard County. If required by the lease, all utility costs, including those in excess of the allowance, shall be paid by the tenant.